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July 1, 2021

-VIA ELECTRONIC FILING -

Adam Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: Docket No. 20210007-EI

Dear Mr. Teitzman:

Pursuant to Order Nos. PSC-2021-0078-PCO-EI and PSC-2021-0210-PCO-EI, attached is Florida Power & Light Company's Preliminary List of New Projects To Be Submitted for Cost Recovery.

Please contact me if you have or your Staff has any questions regarding this filing.

Sincerely,

s/ Maria Jose Moncada

Maria Jose Moncada

Attachments

cc: Counsel for Parties of Record (w/ attachments)

Florida Power & Light Company

CERTIFICATE OF SERVICE Docket No. 20210007-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished

by electronic service on this <u>1st</u> day of July 2021 to the following:

Charles Murphy Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 cmurphy@psc.state.fl.us

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By: <u>s/ Maria Jose Moncada</u>

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PRELIMINARY LIST OF NEW PROJECTS TO BE SUBMITTED FOR COST RECOVERY

Project: Turkey Point Clean Water Recovery Center ("CWRC") Project

Law/Regulation:

On June 29, 2021, Governor DeSantis signed legislation revising the definition of "environmental compliance costs" to include "costs or expenses prudently incurred by an electric utility after July 1, 2021, pursuant to an agreement between the electric utility and a governmental wastewater utility for the exclusive purpose of the electric utility constructing and operating a wastewater reuse system where operation of the system will serve to further compliance with environmental laws or regulations applicable to the electric utility and where the system fully or partially satisfies a local government's statutory reclaimed water reuse requirements under Section 403.064 or 403.806." Section 366.8255(1)(d)(9), Florida Statutes ("F.S."). The new statutory language also requires that "at least 50 percent of the reclaimed water the reuse system produces must be used in conjunction with the water requirements of an electrical generating facility or facilities owned by the electric utility to offset all or part of the electric utility's water use authorized by permit." *Id*.

Additionally, FPL's Turkey Point Clean Energy Center is permitted through the Conditions of Certification ("COC") issued by the Florida Department of Environmental Protection pursuant to the Power Plant Siting Act. The COC contains the South Florida Water Management District's groundwater use authorization and lowest quality water source requirement, which prescribes that consideration must be given to the availability of the lowest quality water which is acceptable for the intended use. If a water source of lower quality (e.g., reclaimed water) is available and feasible, this lower quality water must be used.

Brief Description of Project:

On July 6, 2020, Miami Dade County ("MDC") and FPL entered into an agreement ("MDC Agreement") for the exclusive purpose of FPL constructing and operating an advanced wastewater reuse system to transport, treat, and use reclaimed water at the FPL Turkey Point Clean Energy Center. Under the agreement, MDC will provide up to 15 million gallons per day ("MGD") of water to FPL for further treatment and use by FPL in Unit 5's cooling towers. FPL intends to utilize 100% of the water generated by the CWRC for Unit 5 cooling purposes. The CWRC Project will assist Florida in achieving the state's objective to reuse reclaimed water. The CWRC Project will also further FPL's compliance with Turkey Point's COC by offsetting Unit 5's groundwater use, and partially satisfy MDC's reclaimed water reuse requirements under 403.064 and 403.086, F.S.

FPL estimates total capital costs associated with the CWRC Project to be approximately \$315 million, to be incurred between August 2021 and the end of 2025. FPL does not anticipate that it will incur any O&M expenses until the facility becomes operational, which is anticipated to be at the end of 2024. Pursuant to the MDC Agreement, MDC will provide \$6.5 million annually to FPL to support operations of the project. The O&M payment provided by MDC will be reflected as a revenue credit in the ECRC clause. FPL will only recover O&M expenses associated with the CWRC Project if they exceed \$6.5 million on an annual basis.